

HOTELS INSURANCE

Summary of Cover
June 2005 Edition

A business insurance package for hotels, motels, inns and guest houses.

Why choose AXA's Hotels Insurance Package?

AXA's Hotels Insurance Package offers you generous levels of standard cover plus many optional extras.

Tailor-made for Your Business – Hotel Insurance Package provides a combination of standard and optional covers to best meet your needs.

Keeping Your Business Running – We offer "Business Interruption" cover as standard because we know that over 80% of businesses go bankrupt after a serious fire if they are not properly covered.

Someone to Help You When You Need It – We realise that accidents and incidents don't only happen between 9 and 5. That's why we have set up a FREE 24 hour Emergency and Legal helpline to ensure there's someone to help you when you need it most. A FREE Tax helpline is also available Monday to Friday between the hours of 9am to 5pm.

Glass Replacement Service – Broken glass? Not to worry, our 24 hour replacement service can fix windows, doors or partitions. Just call us and assistance can be provided.

Spreading your cost – You can take up the option to pay your annual premium by monthly direct debit - helping you to manage your cashflow. There may be a charge associated with this. Please speak to your Insurance Adviser for details.

Inflation Protection – We take away the burden of keeping your contents (and buildings, if they are included in this policy) sums insured in line with inflation – we use recognised independent price indices to amend your sums insured to reflect inflation.

Seasonal increases – We recognise that certain times of the year are particularly busy for you and you may need to gear up for the extra trade. To help you, we give you a free extra 25% on top of your trade contents sum insured during December and January and 8 days before and after all Bank Holidays.



Be Life Confident

Policy Summary

keyfacts

This document is a summary of the insurance cover provided by the Hotels Insurance Package and, as such, it does not contain the full terms and conditions of your insurance. You can find the full terms and conditions of the product in the policy document. This summary is provided to you for information purposes only and does not form part of your insurance contract.

Type of Insurance Cover

The Hotels Insurance Package provides you with generous Contents, Business Interruption, Business Liability and Legal Expenses cover as standard. You have the option of including Buildings, Subsidence, Computer Breakdown and Employee Theft cover if required. This package gives you the flexibility of covers to help meet your needs.

Please refer to your policy schedule for your selected cover.

The maximum amount we will pay is the Sum Insured or Limit shown within your policy wording or on the policy schedule.

Policy Conditions

Correct values at risk must be advised to us. If the Sums Insured you request are not adequate this will result in the amount that we pay you in the event of a claim being reduced

| Features and Benefits | | | |
|--|---|---------------------------|--------------|
| Cover applies to Great Britain, Northern Ireland, the Isle of Man and the Channel Islands and additionally in respect of Business Liability to temporary visits abroad excluding off-shore | | | |
| Buildings and Contents | | | |
| Cover Offered | Standard Cover | Optional Cover | Policy ref |
| "All Risks" cover being subject to certain exclusions | ✓ | | Page 10 & 12 |
| Automatic Reinstatement of Sum Insured following a loss | ✓ | | Page 21 |
| Contents | | | |
| Replacement value on Contents and Stock on market value basis | Up to amount nominated by the Insured | | Page 19 |
| Landlords fixtures and fittings | ✓ | | Page 12 |
| Household goods and personal effects belonging to the Insured or resident manager | ✓ | | Page 12 |
| Employees household goods and personal effects | £500 any employee or £1,000 if employee resides permanently in the hotel | | Page 12 |
| Stock including <ul style="list-style-type: none"> wines and spirits cigarettes and tobacco | £1,000 £1,000 | Extra amounts if required | Page 12 |
| Guests personal effects | £1,000 personal effects £10,000 any one vehicle £50,000 any one claim | | Page 17 |

| Features and Benefits | | | |
|---|--|---|--|
| Contents | | | |
| Cover Offered | Standard Cover | Optional Cover | Policy ref |
| Breakdown or failure of computer equipment, or loss/damage to computer records | | Up to nominated limit for equipment and £5,000 for computer records | Page 40 |
| Additional expenditure incurred to <ul style="list-style-type: none"> minimise the interruption to work normally carried on using the damaged computer equipment recompile or restore damaged data as a result of damage as covered by the contents section | | £10,000 any one period of insurance | Page 41 |
| Costs to modify equipment or computer records to ensure compatibility with replacement computer equipment following insured damage | | £5,000 any one period of insurance | Page 41 |
| Costs incurred through additional rental of computer equipment arising out of the replacement of a hire agreement following insured damage | | £5,000 any one period of insurance | Page 41 |
| Accidental Glass Breakage of fixed glass and sanitaryware | (inner limits apply) | | Page 14 |
| Damage to signs (excluding neon signs) | £1,000 | | Page 14 |
| Loss of or damage to goods in transit in your own vehicle | £2,000 | Increased cover available (Maximum Limit £4,000) | Page 14 |
| Replacement of locks and keys following theft | £500 | | Page 15 |
| Loss of money: <ul style="list-style-type: none"> Premises during business hours, in transit and in a Bank Night Safe Premises out of Business Hours Business Owner or Authorised Employee residence Crossed Cheques and non negotiable money Gaming, amusement or vending machines Belonging to Insured or member of his family permanently residing in the hotel (limits apply per period of insurance) | £5,000 £1,000 in safe / £500 out of safe £500 £250,000 £300 £250 cash, £500 credit cards misuse | | Page 15 Page 17 |
| Loss of freezer contents cover being subject to certain exclusions | £2,000 | Increased cover available (Maximum Limit £5,000) | Page 16 |
| Automatic seasonal increase | 25% of Business Contents | | Page 16 |
| Loss or damage to property in the open within the boundaries of the hotel premises | £500 any one period of insurance | | Page 17 |
| Loss or damage to contents while providing outside catering | £2,000 | | Page 17 |
| Rent while premises are untenable for up to 104 weeks | 25% of contents nominated amount | | Page 17 |
| Loss of metered water | £2,500 | | Page 17 |
| Damage to landscaped gardens caused by Emergency Services | £1,000 in any one period of insurance | | Page 17 |

POLICY SUMMARY Hotels Insurance

| Features and Benefits | | | |
|--|--|---|--|
| If buildings are insured: | | | |
| Cover Offered | Standard Cover | Optional Cover | Policy ref |
| Replacement value of Building (including Debris Removal, Architects and Surveyors' fees) | Up to amount nominated by the Insured | Increased inflation protection up to a nominated amount | Page 10 Page 52 (Inflation Protection) |
| Damage to cables, drains and underground pipes | ✓ | | Page 11 |
| Subsidence Cover | | ✓ | Page 53 |
| Cover for tracing and making good leaking underground pipes, drains and cables | £25,000 any one period of insurance | | Page 11 |
| Other covers available: | | | |
| Theft by employees | | £5,000 any one period of insurance | Page 55 |
| "All Risks" on specified items (subject to certain exclusions) anywhere in Great Britain and up to 14 days worldwide | | ✓ | Page 23 |
| Terrorism cover | | ✓ | Page 42 |
| Employee Protection | | | |
| Assault to your employees following robbery or attempted robbery | | | Page 16 |
| • Death | £10,000 | | |
| • Total loss or permanent and total loss of use of one or more limbs | £10,000 | | |
| • Total and irrecoverable loss of all sight in one or both eyes | £10,000 | | |
| • Temporary total disablement from engaging in usual occupation | £100 per week for up to 104 weeks | | |
| • Damage to clothing and personal effects | £500 | | |
| • Maximum compensation for 1 incident 1 person | £10,400 | | |
| Business Interruption | | | |
| Loss of Business Income resulting from damage covered under Contents | 3 times the contents sum insured or £250,000 whichever is the greater - up to 12 months period | Up to 36 months period | Page 24 |
| Cover for outstanding debts where business accounts are lost due to damage as defined above | £10,000 | | Page 27 |

| Features and Benefits | | | |
|--|---|---------------------------------|-------------------|
| Business Interruption | | | |
| Cover Offered | Standard Cover | Optional Cover | Policy ref |
| Loss of Business Income as a result of damage at Suppliers premises | 10% of Sum Insured or £50,000 | | Page 26 |
| Loss of Business Income as a result of damage at Public Utility Suppliers premises | up to sum insured | | Page 26 |
| Loss of Business Income resulting from denial of access to premises as a result of damage to other premises in the vicinity | up to sum insured | | Page 26 |
| Loss of Business Income as a result of murder / suicide at the premises or a human notifiable disease (excluding AIDS) being manifested within a 25 mile radius of the premises | up to sum insured | | Page 25 |
| Automatic Reinstatement of Sum Insured following a loss | ✓ | | Page 25 |
| Loss of Licence | | | |
| Loss of sales (less relative purchases) directly attributable to the loss of the liquor licence, and the reduction in the value of the licensed premises – subject to certain exclusions | £100,000 | | Page 29 |
| Business Liability | | | |
| Employers Liability | £10m | | Page 32 |
| Public Liability | £2m | £5m | Page 33 |
| Products Liability | £2m any one period of insurance | £5m any one period of insurance | Page 33 |
| Legal liability for guests property (including motor vehicles in hotel's garage or car park which is securely locked overnight) | £10,000 property deposited for safekeeping and £25,000 in total | | Page 36 |
| Legal liability for loss or damage to property deposited in the cloakroom | £100 any one article or £1,000 any one cloakroom | | Page 37 |
| Cover for legal costs in respect of prosecutions under the Health and Safety at Work etc Act 1974/Part II Consumer Protection Act 1987 | ✓ | | Page 34 |
| Legal Liability incurred under the Defective Premises Act | ✓ | | Page 36 |
| Personal Liability whilst abroad on business | ✓ | | Page 37 |

POLICY SUMMARY Hotels Insurance

| Features and Benefits | | | |
|---|---|----------------|------------|
| Business Liability | | | |
| Cover Offered | Standard Cover | Optional Cover | Policy ref |
| Legal liability incurred as tenants | ✓ | | Page 36 |
| Indemnity to principal | ✓ | | Page 38 |
| Compensation for required Court Attendance | £50 per day per employee £100 per day per Director / Partner | | Page 38 |
| Legal Expenses | | | |
| Claims made during Period of Insurance | £50,000 per claim & £500,000 per Period of Insurance | | Page 44 |
| Covers | | | |
| Contract disputes for amounts between £250 & £5,000 | ✓ | | Page 44 |
| Employment disputes | ✓ | | Page 44 |
| Criminal Prosecution defence | ✓ | | Page 45 |
| Property disputes | ✓ | | Page 45 |
| Data protection/Tax protection | ✓ | | Page 46 |
| Statutory licence appeals | ✓ | | Page 47 |

Significant or Unusual Exclusions and Limitations

| Significant or Unusual Exclusions and Limitations | Applies to |
|--|--|
| Unless agreed otherwise the law applicable to this contract is the law of England and Wales | All covers |
| Reasonable precautions conditions apply including Deep Fat Frying and Waste Removal Conditions | Buildings & Contents and Business Interruption |
| Where applicable a Hotel Proprietors Act notice must be clearly displayed | Public Liability |
| Cloakroom to be securely locked when left unattended, numbered tickets issued and suitable disclaimer notices displayed | Public Liability |
| Special terms apply to empty buildings – you must advise AXA immediately any premises becomes unoccupied | All covers |
| Before any Legal Expenses are incurred the Insured must consult the Legal Advice Helpline to ensure that the expenses will be sanctioned | Legal Expenses |
| Money in transit limited to £2,500 per person | Contents |
| Stock shortages | Contents |
| Date Recognition Exclusion | All covers except Employers Liability |
| Computer or data processing equipment operator error, virus or hacking | All covers except Legal Expenses, Business Liability & Loss of Licence |
| Terrorism Exclusion (some cover available as an optional extra) | All covers |
| Theft by the Insured or resident manager (or member of their family). Theft by employees is an optional cover. | Buildings & Contents, All Risks and Business Interruption |
| Theft of goods while in transit unless the vehicle is securely locked (and is garaged in secure and enclosed premises at night) | Contents & All Risks |
| Freezer contents cover excludes 20% of any loss where the cabinet is over 10 years old | Contents |
| Bursting of non domestic steam boilers | Buildings & Contents and Business Interruption |
| Gradually operating causes eg. rust, rot, corrosion and gradual pollution | Buildings & Contents, Business Interruption and Public Liability |

POLICY SUMMARY Hotels Insurance

Significant or Unusual Exclusions and Limitations

| Significant or Unusual Exclusions and Limitations | Applies to |
|---|--|
| Mechanical or electrical breakdown of machinery | Buildings & Contents and Business Interruption |
| Fines and penalties imposed | Business Liability covers |
| Liability assumed by agreement | Public Liability |
| Liability for which compulsory motor insurance is required | Employers' and Public Liability |
| Liability incurred while working away from insured premises other than when undertaking catering activities | Employers' and Public Liability |
| Damage to property in your custody/cost of remedying defects in products supplied | Public Liability |
| Products knowingly exported into USA and Canada | Public Liability |
| Punitive/exemplary/aggravated/additional/compensatory damages awarded in USA and Canada | Public Liability |
| Acts committed prior to commencement of cover | Theft by Employee optional cover |
| Loss or damage to property resulting from a process involving heat application | All covers |

Excesses

| Policy Excesses | |
|---|---------------------------|
| Buildings and Contents | |
| (i) Storm, Flood, Escape of Water, Riot, Civil Commotion, Theft and Accidental Damage | £500 (total any one loss) |
| (ii) All other losses | Nil |
| Glass | £100 |
| Computer breakdown | £250 |
| Business Equipment All Risks | £250 |
| Subsidence minimum excess (optional cover) | £1,000 |
| Theft by Employee (optional cover) | £250 |
| Public Liability – property damage | £100 |
| Tenants' liability | £100 |
| Legal Expenses | £250 |

Policy Duration

This is an annually renewable policy

Sums Insured

Correct values at risk must be advised to us. If the Sums Insured you request are not adequate this will result in the amount that we pay you being reduced.

Law Applicable

You are free to choose the law applicable to this Policy. Your Policy will be governed by the law of England and Wales unless you and we have agreed otherwise.

Your Cancellation Rights

You may cancel this Policy during the 14 days after the Contract has been concluded by giving notice in writing to your Insurance Adviser at the address shown in their correspondence or to the AXA Insurance address shown on your Policy schedule.

Provided that there have been:

- no claims made under the Policy for which we have made a payment
- no claims made under the policy which are still under consideration
- no incident likely to give rise to a claim but is yet to be reported to us

during this 14 day period of insurance, we will give a refund for the proportionate part of the premium paid in respect of the unexpired term of this Policy.

If a claim has been submitted or there has been any incident likely to give rise to a claim during the current Period of Insurance, no refund for the unexpired portion of the premium will be given.

Claim Notification

In the event that you need to make a claim under your policy, you should contact your insurance adviser or alternatively, you can contact AXA Insurance 24 hrs a day using the following telephone number: 0845-758-1076

Making Yourself Heard

Any complaint you may have should in the first instance be addressed to your Insurance Adviser, then claim office or helpline as applicable. If you are not satisfied with the way in which your complaint has been dealt with, you should write to the Customer Care Department of AXA Insurance.

If the complaint is still not resolved, you can approach the Financial Ombudsman Service. The Ombudsman will only consider complaints if:

- We have provided you with written confirmation that our internal complaints procedure has been exhausted
- Your business has a turnover of less than £1,000,000

Referral to the Financial Ombudsman will not affect your right to take legal action.

Full details of addresses and contact numbers can be found within the Policy Wording.

POLICY SUMMARY Hotels Insurance

Financial Services Compensation Scheme (FSCS)

AXA Insurance is covered by the FSCS, which is triggered when an authorised firm goes out of business. In this unlikely event you may be entitled to compensation from the scheme.

Compensation under the scheme for:

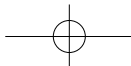
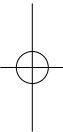
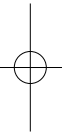
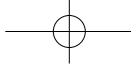
- Compulsory insurance is covered in full.
- Non compulsory insurance is protected in full for the first £2,000 and 90% of any amount above the threshold.

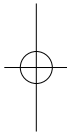
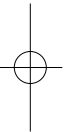
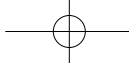
Full details are available at www.fscs.org.uk

Financial Services Authority Regulation

AXA Insurance UK plc is authorised and regulated by the Financial Services Authority.

This can be checked on the FSA's website at www.fsa.gov.uk/register or by contacting them on 0845 606 1234.





WUY003PZB (06/05) (9341)

AXA Insurance UK plc

Registered in England No 78950. Registered Office: 107 Cheapside, London EC2V 6DU
A member of the AXA Group of Companies. AXA Insurance UK plc is authorised and regulated by the Financial Services Authority.
In order to maintain a quality service, telephone calls may be monitored or recorded.

Be Life Confident

